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Foreign Crops and MARKETS



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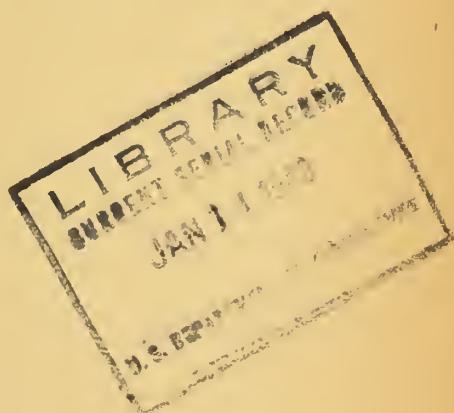
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L A T E N E W S

The Minister of Food in the United Kingdom announced on December 20 that the bacon ration would be restored to 2 ounces per week beginning January 11, 1948. It was reduced from 2 ounces weekly to 2 ounces every two weeks on October 19, 1947, as a result of reduced shipments caused by the strike in Canadian packing plants.

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Brazil recently lifted the export prohibition on pig skins, green and salted, established by Decree-law August 1946. Shipments of these skins, however, are subject to export licensing by the Carteira de Exportacao e Importacao of the Bank of Brazil.

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COMMODITY DEVELOPMENTS

GRAINS, GRAIN PRODUCTS AND FEEDSPHILIPPINE RICE PRICES
SHOW MODERATE INCREASE

Domestic rice prices in the Philippine Islands during the first half of December 1947 were up about 20 cents per 100 pounds over closing November quotations, and were around \$1.00 per 100 pounds higher than in early November. Prices of Milled No. 1 Macan during the week ended December 13 were \$9.31 to \$9.52 compared with \$9.11 to \$9.31 during the last week of November, and with \$8.30 to \$8.91 per 100 pounds from November 1 to 7. The main rice crop was harvested in December and will enter the market in January 1948.

PHILIPPINE ISLANDS: Rice prices per 100 pounds,
week ended December 13, 1947, with comparisons

Date	Native, Macan Milled:		NARIC No. 1 a/	Rough, delivered Cabanatuan		
	ex-warehouse, Manila					
	No. 1	No. 2		Dollars	Dollars	
July 1947 - High	13.16	12.96	12.11		8.06	
July 1947 - Low	12.55	12.15	12.11		7.81	
Nov. 1-7 - High	8.91	8.30	12.11		5.04	
Nov. 1-7 - Low	8.30	7.90	12.11		4.54	
Nov. 22-28 - High	9.31	9.11	12.11		5.29	
Nov. 22-28 - Low	9.11	8.91	a/ 9.13		5.29	
Nov. 29-Dec. 6 b/High	9.52	9.31	a/ 11.25		5.54	
Nov. 29-Dec. 6 b/Low	9.11	8.91	a/ 11.25		5.29	
Dec. 8-13 - High	9.52	9.31	a/ 11.25		5.54	
Dec. 8-13 - Low	9.31	9.11	a/ 11.25		5.54	

From Daily Market Report, Bureau of Commerce, Philippine Government.

a/ Beginning November 26, Siam, first-class.

b/ Week, Saturday through Saturday, hereafter Monday through Saturday.

(Continued on page 16)

TOBACCOAUSTRIAN TOBACCO SUPPLIES
STILL VERY LOW

Stocks of leaf tobacco held by the Austrian Monopoly totaled only 2,600,000 pounds on December 1, 1947, according to a report from the American Legation in Vienna. In prewar years, stocks were sufficient to cover consumption requirements for about 18 months. At the end of 1937, for example, stocks of leaf were 34,000,000 pounds compared with an annual consumption of about 20 million. Practically all of the December 1, 1947 stock consisted of foreign-grown leaf, chiefly of Greek, Turkish, Bulgarian, and Brazilian origin. Stocks of United States tobaccos on December 1 were only 10,000 pounds.

Domestic-grown leaf furnishes only a small percentage of Austria's tobacco requirements. The 1948 crop is forecast at only 600,000 pounds, or slightly larger than the 1947 outturn. Substantial imports are essential to a continued output of tobacco products. For 1948, it is reported that the Monopoly plans to purchase about 5,700,000 pounds of leaf, including nearly 2,000,000 pounds from the United States. This planned import of leaf would be far below actual takings during the prewar period, when imports from all sources averaged 20,000,000 pounds yearly. Imports of United States leaf during the 1933-37 period averaged 900,000 pounds annually.

During the period January-November 1947, Monopoly factories utilized about 7,400,000 pounds of leaf tobacco in the manufacture of products. Leaf used in cigarette manufacture totaled 6,400,000 pounds, and most of the remainder went into cigars and smoking mixtures. According to present plans, the Monopoly is considering using about 9,700,000 pounds of leaf in 1948.

The current low rate of manufacture has necessitated strict rationing of products to consumers. Men receive only 60 cigarettes, and women 40 during a four-week period. Reports indicate that the present ration covers only one-fifth of actual demand. Even at the present rate of consumption, the Austrian government is dependent on the Tobacco Monopoly's taxes and profits for a considerable portion of its revenues. For the year 1947, estimates place tobacco revenues at about 34 percent of total government revenues.

TURKEY'S TOBACCO CROP AND STOCK LARGE

Preliminary estimates now place Turkey's 1947 tobacco crop at about 220 million pounds, or somewhat greater than the quantity harvested in 1946. The quality of leaf grown in the Aegean region in 1947 was much improved over the quality of 1946 crop leaf, according to the American Consul at Smyrna. About 66 million pounds of 1947 Aegean leaf will consist of grades suitable for the American market. There was very little diseased tobacco in the 1947 Aegean crop.

The large stocks of leaf on hand from crops prior to 1947 are causing the Turkish Government much concern. For example, in the Aegean region on November 1, 1947, stocks of manipulated leaf from the 1946 and earlier crops totaled 67 million pounds, of which 41 million were American grades. Most of the leaf was held by the Government-sponsored tobacco purchasing agency. This agency will need to dispose of some of the stocks before making large purchases from the 1947 crop, now about to be marketed.

LIVESTOCK AND ANIMAL PRODUCTS

CANADA ANNOUNCES HIGHER EXPORT PRICES FOR MEAT, EGGS, AND CHEESE

The Canadian Government recently announced the higher export prices which the United Kingdom will pay in 1948 for bacon, beef, eggs, and cheese. It is reported by that Government that the United Kingdom has agreed to purchase Canada's surplus of these commodities for the years 1948 and 1949 to an actual amount previously estimated and incorporated into the contract.

Bacon prices were advanced from \$29 to \$36 per hundred pounds for Grade A Number One Sizeable Wiltshire sides at seaboard. The contract calls for delivery of 195 million pounds as compared with a minimum of 265 million pounds in last year's contract. The price of beef, choice Red (grade) quality meat, was increased from \$24.75 to \$27.50 per hundred pounds. The top grades of Red and Blue quality were increased \$3.25 per hundred pounds, medium quality and cow carcasses \$2.00, and boneless manufacturing beef \$1.50. The quantity to be delivered was not indicated.

For eggs, the spring price, starting late in January, will be 5 cents per dozen higher than a year ago. Fall prices, beginning September 1, 1948, will be 3.5 cents above the 1947 fall price, which will continue until the end of January 1948. Deliveries for 1948 are estimated at 80 million dozens, compared with an actual delivery of 86 million dozens in 1947.

Under the new contract, the price of cheese was raised 5 cents per pound. The new price of 30 cents per pound is applicable to all deliveries to the United Kingdom from the production of the year beginning April 1, 1948 and for 12 months thereafter. The 1948 quantity requirement is 50,000,000 pounds, compared with deliveries of 55,750,000 million pounds in 1947.

Prices for bacon and beef are not to be less in 1949 than they were for 1946, but are to be negotiated before the end of 1948 in order to maintain the proper relationship with grain prices.

FATS AND OILS

MALAYAN COPRA PRODUCTION PROGRESSING SATISFACTORILY

Malayan commercial copra production during January-October was 168,400 short tons, 12 percent greater than forecast for the calendar year 1947. Production is increasing monthly, averaging more than 19,000 tons, August-October, compared with 17,300 in the three preceding months.

Copra exports continue small, amounting to 6,700 tons during January-October. In the same period coconut oil shipments were 38,700 tons. Imports, chiefly from the Netherlands Indies, were 49,800 and 1,700 tons, respectively.

Effective November 21, 1947, exports and price controls were relaxed. Exporters of copra and coconut oil in Singapore and the Malayan Union were informed that they would be permitted to export either of these commodities to any destination provided proof of an equivalent amount of copra imported from territories outside of Malaya was submitted. As a result of those changes in regulations, prices rose from 35 Straits dollars per picul (\$248 per short ton) to 63 (\$446) for coconut oil and from 25 to 36 (\$177 to \$255) for dried copra early in December.

Crushers have received an increasing number of inquiries from exporters but are dissatisfied at having to deliver export orders contracted at the controlled price when the current price is higher.

MALAYA: Copra and coconut oil exports and imports
January-October 1947 with comparisons.

Destination	Copra			Coconut oil		
	July	January	July	January	December	October
	Average	December	October	Average	1935-39	1946
	1935-39	1946	1947	1935-39	1946	1947
	Short	Short	Short	Short	Short	Short
	tons	tons	tons	tons	tons	tons
Exports:						
United Kingdom.....	64,680	700	5,565	9,920	1,259	25,391
Other European Countries.....	132,709	-	-	2,825	-	560
Other British Poss.....	3,631	-	-	26,892	38	239
Burma.....	-	-	-	4,376	1,276	6,056
Hong Kong.....	-	-	1,110	1,558	2,009	4,045
Netherlands Indies.....	-	-	-	2,864	1,614	2,326
Other countries.....	13,674	-	-	4,328	103	117
Total.....	214,694	700	6,675	52,763	6,299	38,734
Imports:						
British Possessions....	11,891	444	542	18	-	178
Netherlands Indies....	118,160	25,727	49,094	367	63	1,516
Other countries.....	2,390	69	165	257	-	55
Total.....	132,441	26,240	49,801	642	63	1,749

Compiled from official sources.

a/ 2-year average.

ARGENTINE GOVERNMENT STUDIES
OILSEED PROCESSING PROBLEMS

The Argentine Government has designated a group of agencies to undertake a thorough study of problems involved in processing the total oilseed crops of the country. It was stated, in an announcement of December 17, 1947, that the study group would inquire especially into the extent of land area suitable for economical oilseed production; modernization of the processing industry; location of processing units in the zones of oilseed production; technical direction of the industry; requirements of the market for such finished products as paint, oilcloth, and linoleum; consuming industries which use oilseed products in manufacture; and use of the products derived from oilseed materials.

Some observers are speculating on the motives for the inquiry, inasmuch as the Government is now following the policy of permitting practically no oilseeds in unprocessed form to leave the country. It is thought that the real purpose of the survey is to determine the actual capacity of processing plants in the country in the event difficulties are encountered in making sales of oilseed products abroad.

BRITISH AFRICAN PEANUT
PROGRESS DISAPPOINTING

The British East African peanut project has not materialized as rapidly as had been anticipated. The project has encountered many difficulties, and

the initial progress was far less than had been planned. Had everything gone according to schedule, especially in respect to getting tractors and farm machinery delivered in February 1947, it had been hoped that 150,000 acres would be ready for planting by November or December 1947. Actually only 15,000 acres were ready for planting at that time. The entire crop to be harvested next March to May will be required for seed, and the Ministry of Food will not secure peanut oil or peanuts from this area until the harvest of 1949.

Officials who recently visited the project returned with pessimistic reports as to attaining the previously established goals for the first two years of the project but remained confident of attaining the goals established in the five-year plan of development. In spite of the early difficulties it appears that there is no modification in the original plan of clearing 3,210,000 acres of land for the mechanized peanut program.

COTTON

COTTON-PRICE QUOTATIONS ON FOREIGN MARKETS

The following table shows certain cotton-price quotations on foreign markets, converted at current rates of exchange:

COTTON: Spot prices of certain foreign growths
and qualities in specific markets

Market location, kind, and quality	Date	Unit of weight	Unit of foreign currency	Price in U.S. Cents per pound	Equivalent per pound
Alexandria		Kantar			
Ashmouni, Good.....	12-31	99.05 lbs.	Tallari	50.75	42.34
Ashmouni, F.G.F.....	"	"	"	48.00	40.04
Giza 7, Good.....	"	"	"	55.00	45.88
Giza 7, F.G.F.....	"	"	"	(not quoted)	
Karnak, Good.....	"	"	"	60.00	50.05
Karnak, F.G.F.....	"	"	"	(not quoted)	
Bombay		Candy			
Jarila, Fine.....	"	784 lbs.	Rupee	465.00	17.90
* Broach, Fine.....	"	"	"	560.00	21.55
Sind American, Fine.....	"	"	"	625.00	24.06
Punjab " 289-F, Fine....	"	"	"	645.00	24.83
Kampala, East African.....	"	"	"	920.00	35.41
Buenos Aires		Metric ton			
Type B.....	1-2	2204.6 lbs.	Peso	2,590.00	34.98
Lima		Sp. quintal			
Tanguis, Type 5.....	1-1	101.4 lbs.	Sol	167.00	25.33
Pima, Type 1.....	"	"	"	198.00	30.04
Recife		Arroba			
Mata, Type 5.....	1-2	33.07 lbs.	Cruzeiro	130.00	21.39
Sertao, Type 5.....	"	"	"	135.00	22.21
Sao Paulo					
Sao Paulo, Type 5.....	"	"	"	179.50	29.53
Torreón		Sp. quintal			
Middling, 15/16!.....	"	101.4 lbs.	Peso	137.00	27.80

Compiled from weekly cables from representatives abroad.

* Quotations not previously available. In rupees per candy--Dec. 4, 567.00; Dec. 11, 575.00; Dec. 18, 590.00. In U.S. cents per pound--21.82, 22.13, 22.71, respectively.

GRAINS, GRAIN PRODUCTS AND FEEDS
(Continued from Page 11)URUGUAY'S WHEAT
HARVEST FAVORABLE

Uruguay's wheat crop, now being harvested, is turning out well and is expected to be sufficient for the country's needs. The preliminary forecast placed production at 11 million bushels, compared with 6.7 million bushels a year ago. Later trade reports have been more favorable, indicating that the outturn may be nearer 13 million bushels. Substantially increased seedings as well as favorable growing conditions contributed to the increase.

Plans for marketing the crop provide that the Bank of the Republic shall act as sole distributor. Prices paid producers will be the largest on record for the country, ranging from the equivalent of \$2.83 to \$2.92 per bushel, depending on the date of delivery of the grain within the period November 1947-June 1948. The Bank will sell to millers at the equivalent of \$2.26 per bushel, the difference between that rate and the price paid to producers being paid out of Government funds. This virtual subsidy on wheat assures supplies of bread at substantially the present retail price. This is in line with the country's traditional policy of maintaining bread prices at the lowest possible level.

CUBA REGULATES
SALE OF MIXED FEEDS

The Cuban Government on November 20 set forth required minimum standards for all mixed livestock feed sold in the country, in line with a decree of October 15, requiring that these feeds be labelled as to content. Prior to that time locally produced mixed feeds were not required to carry labels. Imported American mixed feeds so marked had been favorably received by local feeders, and the new regulations are expected to improve the quality of the local mixed feeds.

The requirements apply to all feeds except poultry feeds and each feed is to be marked for the particular type of livestock for which it is intended. Minimum standards for content of protein, fats, and free nitrogen extract, as well as maximum fibre content, have been set for feed for each class of livestock.